GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

STARRED QUESTION NO:359
ANSWERED ON:17.03.2006
COTTON TEXTILE PRODUCTION
Adsul Shri Anandrao Vithoba

Will the Minister of TEXTILES be pleased to state:

(a) the production of cotton textiles during each of the last three years and current year in each state;

(b) whether its production has registered steep fall during the aforesaid period, particularly in Maharashtra;

(c) if so, the reasons therefor; and

(d) the measures taken by the Government to arrest such declining trend and to increase the production of cotton textiles?

Answer

MINISTER OF TEXTILES (SHRI SHANKERSINH VAGHELA)

(a) to (d) : A A statement is laid on the Table of the House.

The Statement referred to in reply of the Lok Sabha Starred Question No. 359 regarding Cotton Textile Production for answer on 17.3.2006.

(a) : The production of cotton yarn and cotton cloth during the last three years and current year is furnished in Annexure I.

(b): No, Sir.

(c): Does not arise.

(d) : The important measures taken by the Government to increase the production of cotton textiles include:-

(i) To improve productivity and quality of cotton for manufacture and export of competitive downstream textile products, Government has launched the Technology Mission on Cotton (TMC).

(ii) The Technology Upgradation Fund Scheme (TUFS) was launched to facilitate the modernisation and upgradation of the textile industry both in the organised and unorganized sector. The Scheme has been further fine tuned to increase the rapid investments in the targeted sub-sectors of the textile industry. The cost of machinery has been further brought down by reducing the customs duty on imports.

(iii) For speedy modernisation of the textile processing sector, Government has introduced w.e.f. 20.04.05, a credit linked capital subsidy scheme @10% under TUFS, in addition to the existing 5% interest reimbursement.

(iv) In the Budget 2006-07, for the Technology Upgradation Fund Scheme, the budget allocation has been enhanced from Rs.435 crore to Rs.535 crore.

(v) To provide the textile industry with world-class infrastructure facilities for setting up their textile units meeting international environmental and social standards, a Public-Private Partnership (PPP) based Scheme known as the "Scheme for Integrated Textile Park (SITP)" has been introduced in August 2005.

(vi) In 2004-05 Budget, the entire textile sector, except for man-made fibre and filament yarn was provided optional exemption from excise duty. In 2005-06 Budget, Central Value-aided Tax (CENVAT) on Polyester Filament Yarn has been reduced from 24% to 16%. These modifications in fiscal levies aim at attracting more investments for modernization of textile sector.

(vii) Government has launched the Debt Restructuring Scheme w.e.f. Sept., 2003 with the principal objective to permit banks to lend to the textile sector at 8-9% rate of interest.

(viii) Government has allowed 100% Foreign Direct Investment in the textile sector under automatic route.

(ix) Government has de-reserved the readymade garments, hosiery and knitwear from SSI sector so that large scale investments may be encouraged in these sectors.

Annexure-I

Table-A

State-wise production of cotton yarn by Cotton/ Man-made Fibre Textile Mills

SR.NO.	STATES /UNION	PRODUCTION OF COTTON YARN (`000 KG.) 2002-03	2003-04	2004-05	2005-06 (APR-OCT) [PROVISIONAL]
	STATES				
1	ANDHRA PRADESH	82,079	89,038	100,301	60,460
2	ASSAM	311	107	87	51
3	GUJARAT	175,593	165,920	179,235	105,150
4	HARYANA	98,499	84,372	88,308	56,424
5	HIMACHAL PRADESH	42,410	41,610	43,515	27,717
6	JAMMU & KASHMIR	836	0	1,339	2,779
7	JHARKHAND	1,231	1,110	1,134	732
8	KARNATAKA	65,932	61,302	70,589	43,440
9	KERALA	30,374	26,130	26,537	17,508
10	MADHYA PRADESH	97,809	99,862	104,611	64,583
11	MAHARASHTRA	234,901	209,115	218,363	131,848 (127,079)
12	MANIPUR	48	0	0	0
13	ORISSA	5,577	4,285	2,002	2,496
14	PUNJAB	202,594	213,479	233,809	157,697
15	RAJASTHAN	78,194	74,733	74,184	52,592
16	TAMIL NADU	967,641	952,602	1,029,375	661,358
17	UTTARANCHAL	554	287	217	133
18	UTTAR PRADESH	46,067	41,723	43,745	30,789
19	WEST BENGAL	13,079	12,638	13,428	7,974
	UNION TERRITORIES				
1	DADRA NAGAR HAVELI	20,340	29,198	28,810	16,224
2	DAMAN & DIU	291	290	317	226
3	PONDICHERRY	12,801	12,908	12,352	6,509
	TOTAL	2,177,161	2,120,709	2,272,258	1,446,690 (1,299,502)

Figure in bracket indicate corresponding figure of the previous year

Table-B

Production of cotton cloth (All India)

(Million Square meter) Cotton Cloth	2002-03	2003-04	2004-05	2005-06 (Apr-Oct)
	19300	18040	20655	13607 (11398)

The state wise production data of cotton cloth is not maintained.